

The tables generated in the following narrative reflect the January 7th budget. A summary following the Biennium Comparison highlights the differences between:

- Changes between the November 15th preliminary budget analyzed in the Legislative Fiscal Division (LFD) 2023 Biennium Budget Analysis and the December 15th budget submission
- Changes between the December 15th budget submission and the January 7th budget submission

Agency Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Agency Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	32,519,743	35,008,446	2,488,703	7.65 %
Operating Expenses	41,736,697	42,713,288	976,591	2.34 %
Equipment & Intangible Assets	310,792	301,072	(9,720)	(3.13)%
Grants	24,432,268	23,622,602	(809,666)	(3.31)%
Transfers	4,344,354	5,286,520	942,166	21.69 %
Total Expenditures	\$103,343,854	\$106,931,928	\$3,588,074	3.47 %
General Fund	14,228,544	14,681,533	452,989	3.18 %
State/Other Special Rev. Funds	2,345,245	2,483,126	137,881	5.88 %
Federal Spec. Rev. Funds	86,770,065	89,767,269	2,997,204	3.45 %
Total Funds	\$103,343,854	\$106,931,928	\$3,588,074	3.47 %
Total Ongoing	\$103,343,854	\$107,040,816	\$3,696,962	3.58 %
Total OTO	\$0	(\$108,888)	(\$108,888)	100.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-341

Budget Changes

Changes between the November 15th preliminary budget and the December 15th budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services by \$680,993, general fund by \$106,414, state special revenue by \$2,932, and federal special revenue by \$559,3578 when compared to the 2021 biennium
- The elimination of vacancy savings increased personal services by \$333,946 in FY 2022 and \$334,758 in FY 2023. General fund was increased by \$53,141 in FY 2022 and \$53,274 in FY 2023, state special revenue was increased by \$1,465 in FY 2022 and \$1,468 in FY 2023, federal special revenue was increased by \$279,341 in FY 2022 and \$280,016 in FY 2023
- In addition to the elimination of vacancy savings, the Director's Office's 2023 biennium budget request for personal services and operating expenses also includes a funding switch, general fund for statewide present law adjustments for fixed costs have been reduced by \$2,754 and federal special revenue has been increased by the same amount when compared to the November 15th budget submission. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute
- The ChalleNGe Program's 2023 biennium budget request for personal services is also \$618 lower in the new proposal for 1.00 FTE when compared to the November 15th budget submission. General fund has been reduced by \$155 and federal special revenue by \$463
- The Army National Guard Program's 2023 biennium budget request for personal services is \$1 higher and operating expenses are \$100 higher when compared to the November 15th budget submission excluding the change for vacancy savings. General fund for statewide present law adjustments for personal services have been

increased by \$22,026 and federal special revenue has been decreased by the same amount. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute. In addition, a new proposal to increase funding by \$100 for the operation and maintenance of new facilities is included, \$50 in general fund and \$50 in federal special revenues

- The Air National Guard Program's 2023 biennium budget request for personal services and operating expenses is unchanged with the exception of the elimination of vacancy savings, however general fund for statewide present law adjustments for personal services have been reduced by \$25,214 and federal special revenue has been increased by the same amount when compared to the November 15 budget submission. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute
- The Disaster and Emergency Services Division's 2023 biennium budget total request for personal services, operating expenses, grants, and transfers is unchanged with the exception of the elimination of vacancy savings, however general fund for statewide present law adjustments for personal services have been reduced by \$126,258 and federal special revenue has been increased by the same amount when compared to the November 15 budget submission. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute
- The Veterans' Affairs Program's 2023 biennium budget request for personal services is \$350,000 lower while operating expenses are \$2,065,880 higher than the November 15th 2023 biennium budget proposal, excluding the elimination of vacancy savings. General fund for statewide present law adjustments for personal services have been reduced by \$27,436 and federal special revenue has been increased by the same amount when compared to the November 15 budget submission. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute. Two new proposals for state special revenue appropriations that were included in the November 15th have been eliminated from the December 15th budget proposal. One additional present law proposal for state special revenue appropriations related to the passage of Initiative I-190, the legalization of recreational marijuana has been included. The initiative as passed provided 10.0% of the taxes collected on sales for veterans' services estimated at \$2.3 million over the biennium

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal personal services by \$1.3 million when compared to the 2021 biennium. General fund is reduced by \$290,496, state special revenue by \$72,538, and federal special revenue by \$974,594
- The proposed 4.0% vacancy savings reduction in personal services reduces personal services by \$668,004 in FY 2022 and \$669,624 in FY 2023 in the statewide present law adjustment
- Suspension of the employer share of group benefits for employees for two months, reducing general fund by \$108,888
- Additional 4.0% vacancy savings applied to new proposals for additional FTE lowering personal services by \$23,874
- Elimination of \$2.3 million in state special revenue funds included for passage of I-190, the legalization of recreational marijuana in the Veterans' Affairs Division

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	213.25	213.25	221.25	221.25
Personal Services	15,444,871	16,265,865	16,253,878	17,424,668	17,583,778
Operating Expenses	19,658,418	20,823,445	20,913,252	21,424,942	21,288,346
Equipment & Intangible Assets	94,983	160,256	150,536	150,536	150,536
Grants	8,793,091	12,620,967	11,811,301	11,811,301	11,811,301
Transfers	538,060	1,701,094	2,643,260	2,643,260	2,643,260
Total Expenditures	\$44,529,423	\$51,571,627	\$51,772,227	\$53,454,707	\$53,477,221
General Fund	6,667,654	7,097,551	7,130,993	7,302,207	7,379,326
State/Other Special Rev. Funds	855,971	1,166,650	1,178,595	1,240,273	1,242,853
Federal Spec. Rev. Funds	37,005,798	43,307,426	43,462,639	44,912,227	44,855,042
Total Funds	\$44,529,423	\$51,571,627	\$51,772,227	\$53,454,707	\$53,477,221
Total Ongoing	\$44,529,423	\$51,571,627	\$51,772,227	\$53,563,595	\$53,477,221
Total OTO	\$0	\$0	\$0	(\$108,888)	\$0

Funding

The following table shows proposed agency funding by source of authority.

Total Department of Military Affairs Funding by Source of Authority 2023 Biennium Budget Request - Department of Military Affairs						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	14,790,421	(108,888)	0	90,000	14,771,533	13.58 %
State Special Total	2,483,126	0	0	1,739,078	4,222,204	3.88 %
Federal Special Total	89,767,269	0	0	0	89,767,269	82.54 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$107,040,816	(\$108,888)	\$0	\$1,829,078	\$108,761,006	
Percent - Total All Sources	98.42 %	(0.10)%	0.00 %	1.68 %		

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
	-----General Fund-----				-----Total Funds-----			
Budget Item	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	7,130,993	7,130,993	14,261,986	97.14 %	51,772,227	51,772,227	103,544,454	96.83 %
SWPL Adjustments	108,471	87,430	195,901	1.33 %	29,064	(25,278)	3,786	0.00 %
PL Adjustments	0	0	0	0.00 %	667,821	678,536	1,346,357	1.26 %
New Proposals	62,743	160,903	223,646	1.52 %	985,595	1,051,736	2,037,331	1.91 %
Total Budget	\$7,302,207	\$7,379,326	\$14,681,533		\$53,454,707	\$53,477,221	\$106,931,928	

HB 2 Language -

The Office of Budget and Program Planning shall include \$200 general fund and \$200 federal fund in the base budget of Department of Military Affairs for the 2025 biennium for operation and maintenance of the Havre Unheated Storage

Building pursuant to 17-7-210. This inclusion is contingent on passage and approval of HB 5 and HB 5 including an appropriation for construction of the Havre Unheated Storage Building.

The Office of Budget and Program Planning shall include \$90 general fund and \$90 federal fund in the base budget of Department of Military Affairs for the 2025 biennium, and \$210 general fund and \$210 federal fund in the base budget of Department of Military Affairs for the 2027 biennium for operation and maintenance of the Billings AFRC Unheated Storage Expansion pursuant to 17-7-210. This inclusion is contingent on passage and approval of HB 5 and HB 5 including an appropriation for construction of the Billings AFRC Unheated Storage Expansion.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	2,240,414	2,206,846	(33,568)	(1.50)%
Operating Expenses	415,665	423,146	7,481	1.80 %
Transfers	101,310	101,310	0	0.00 %
Total Expenditures	\$2,757,389	\$2,731,302	(\$26,087)	(0.95)%
General Fund	1,668,865	1,648,248	(20,617)	(1.24)%
Federal Spec. Rev. Funds	1,088,524	1,083,054	(5,470)	(0.50)%
Total Funds	\$2,757,389	\$2,731,302	(\$26,087)	(0.95)%
Total Ongoing	\$2,757,389	\$2,741,966	(\$15,423)	(0.56)%
Total OTO	\$0	(\$10,664)	(\$10,664)	100.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-349

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services by \$46,188, general fund by \$27,898 and federal special revenue by \$18,290 when compared to the 2021 biennium
- The elimination of vacancy savings increased personal services by \$23,051 in FY 2022 and \$23,137 in FY 2023. General fund was increased by \$13,923 in FY 2022 and \$13,975 in FY 2023 and federal special revenue was increased by \$9,128 in FY 2022 and \$9,162 in FY 2023
- The allocation of general fund and federal special revenue in the statewide present law adjustment for personal services and operating expenses was modified. General fund has been reduced by \$2,754 and federal special revenue has been increased by the same amount when compared to the November 15th budget submission. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces personal services by \$92,387 and general fund by \$55,841 and federal special revenue by \$36,546 when compared to the 2021 biennium
- The proposed 4.0% vacancy savings reduction in personal services reduces personal services by \$46,108 in FY 2022 and \$46,279 in FY 2023, general fund by \$27,869 in FY 2022 and \$27,972 in FY 2023 and federal special revenue by \$18,239 in FY 2022 and \$18,307 in FY 2023
- Suspension of the employer share of group benefits for employees for two months, reducing general fund by \$10,664

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	12.32	12.32	12.32	12.32
Personal Services	988,973	1,119,482	1,120,932	1,096,021	1,110,825
Operating Expenses	116,942	208,635	207,030	215,871	207,275
Transfers	32,400	50,655	50,655	50,655	50,655
Total Expenditures	\$1,138,315	\$1,378,772	\$1,378,617	\$1,362,547	\$1,368,755
General Fund	724,733	835,597	833,268	820,080	828,168
Federal Spec. Rev. Funds	413,582	543,175	545,349	542,467	540,587
Total Funds	\$1,138,315	\$1,378,772	\$1,378,617	\$1,362,547	\$1,368,755
Total Ongoing	\$1,138,315	\$1,378,772	\$1,378,617	\$1,373,211	\$1,368,755
Total OTO	\$0	\$0	\$0	(\$10,664)	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Military Affairs, 01-Director's Office Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	1,658,912	(10,664)	0	0	1,648,248	60.35 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
03132 National Guard	695,415	0	0	0	695,415	64.21 %
03134 DES Emergency Mgmt Perf 97.042	133,660	0	0	0	133,660	12.34 %
03453 Air National Guard	222,164	0	0	0	222,164	20.51 %
03143 DES Homeland Security 97.067	31,815	0	0	0	31,815	2.94 %
Federal Special Total	\$1,083,054	\$0	\$0	\$0	\$1,083,054	39.65 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$2,741,966	(\$10,664)	\$0	\$0	\$2,731,302	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	833,268	833,268	1,666,536	101.11 %	1,378,617	1,378,617	2,757,234	100.95 %
SWPL Adjustments	(2,524)	(5,100)	(7,624)	(0.46)%	(5,406)	(9,862)	(15,268)	(0.56)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(10,664)	0	(10,664)	(0.65)%	(10,664)	0	(10,664)	(0.39)%
Total Budget	\$820,080	\$828,168	\$1,648,248		\$1,362,547	\$1,368,755	\$2,731,302	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(8,611)	0	(5,636)	(14,247)	0.00	(5,345)	0	(4,762)	(10,107)
DP 2 - Fixed Costs	0.00	6,118	0	2,754	8,872	0.00	265	0	0	265
DP 3 - Inflation Deflation	0.00	(31)	0	0	(31)	0.00	(20)	0	0	(20)
Grand Total All Present Law Adjustments	0.00	(\$2,524)	\$0	(\$2,882)	(\$5,406)	0.00	(\$5,100)	\$0	(\$4,762)	(\$9,862)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(10,664)	0	0	(10,664)	0.00	0	0	0	0
Total	0.00	(\$10,664)	\$0	\$0	(\$10,664)	0.00	\$0	\$0	\$0	\$0

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The executive proposes to eliminate the state share contribution to the state employee group benefit plan for two months. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, were applicable, are proposed to remain in agency personal services budgets. The executive has indicated that this decision is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	6,464,425	6,813,345	348,920	5.40 %
Operating Expenses	2,669,357	2,949,592	280,235	10.50 %
Total Expenditures	\$9,133,782	\$9,762,937	\$629,155	6.89 %
General Fund	2,283,666	2,421,318	137,652	6.03 %
Federal Spec. Rev. Funds	6,850,116	7,341,619	491,503	7.18 %
Total Funds	\$9,133,782	\$9,762,937	\$629,155	6.89 %
Total Ongoing	\$9,133,782	\$9,789,026	\$655,244	7.17 %
Total OTO	\$0	(\$26,089)	(\$26,089)	100.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-354

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services by \$137,568, general fund by \$34,392 and federal special revenue by \$103,176 when compared to the 2021 biennium
- The elimination of vacancy savings increased personal services by \$68,725 in FY 2022 and \$68,843 in FY 2023. General fund was increased by \$17,181 in FY 2022 and \$17,211 in FY 2023 and federal special revenue was increased by \$51,544 in FY 2022 and \$51,632 in FY 2023
- The ChalleNGe Program's 2023 biennium budget total request for personal services is \$618 lower in the new proposal for 1.00 FTE when compared to the November 15th budget submission. General fund has been reduced by \$155 and federal special revenue by \$463

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces personal services by \$275,187, general fund by \$68,801 and federal special revenue by \$206,386 when compared to the 2021 biennium
- The proposed 4.0% vacancy savings reduction in personal services reduces personal services by \$137,478 in FY 2022 and \$137,709 in FY 2023, general fund by \$34,372 in FY 2022 and \$34,430 in FY 2023 and federal special revenue by \$103,106 in FY 2022 and \$103,279 in FY 2023
- Suspension of the employer share of group benefits for employees for two months, reducing general fund by \$26,089
- Additional 4.0% vacancy savings applied to new proposal for additional FTE lowering personal services by \$3,042

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	53.15	53.15	54.15	54.15
Personal Services	3,265,165	3,337,699	3,126,726	3,390,797	3,422,548
Operating Expenses	1,087,477	1,201,801	1,467,556	1,481,899	1,467,693
Total Expenditures	\$4,352,642	\$4,539,500	\$4,594,282	\$4,872,696	\$4,890,241
General Fund	1,018,018	1,135,020	1,148,646	1,198,683	1,222,635
Federal Spec. Rev. Funds	3,334,624	3,404,480	3,445,636	3,674,013	3,667,606
Total Funds	\$4,352,642	\$4,539,500	\$4,594,282	\$4,872,696	\$4,890,241
Total Ongoing	\$4,352,642	\$4,539,500	\$4,594,282	\$4,898,785	\$4,890,241
Total OTO	\$0	\$0	\$0	(\$26,089)	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Military Affairs, 02-Youth Challenge Program Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	2,447,407	(26,089)	0	0	2,421,318	24.80 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
03132 National Guard	7,341,619	0	0	0	7,341,619	100.00 %
Federal Special Total	\$7,341,619	\$0	\$0	\$0	\$7,341,619	75.20 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$9,789,026	(\$26,089)	\$0	\$0	\$9,762,937	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	1,148,646	1,148,646	2,297,292	94.88 %	4,594,282	4,594,282	9,188,564	94.12 %
SWPL Adjustments	57,879	55,730	113,609	4.69 %	231,515	222,921	454,436	4.65 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(7,842)	18,259	10,417	0.43 %	46,899	73,038	119,937	1.23 %
Total Budget	\$1,198,683	\$1,222,635	\$2,421,318		\$4,872,696	\$4,890,241	\$9,762,937	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	54,293	0	162,879	217,172	0.00	55,696	0	167,088	222,784
DP 2 - Fixed Costs	0.00	4,445	0	13,335	17,780	0.00	573	0	1,719	2,292
DP 3 - Inflation Deflation	0.00	(859)	0	(2,578)	(3,437)	0.00	(539)	0	(1,616)	(2,155)
Grand Total All Present Law Adjustments	0.00	\$57,879	\$0	\$173,636	\$231,515	0.00	\$55,730	\$0	\$167,191	\$222,921

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals

The New Proposals table shows new changes to spending.

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 202 - CHALLENGE Modified to Permanent FTE	1.00	18,247	0	54,741	72,988	1.00	18,259	0	54,779	73,038
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(26,089)	0	0	(26,089)	0.00	0	0	0	0
Total	1.00	(\$7,842)	\$0	\$54,741	\$46,899	1.00	\$18,259	\$0	\$54,779	\$73,038

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 202 - CHALLENGE Modified to Permanent FTE -

The executive is proposing to add 1.00 FTE at the Montana Youth Challenge Academy (MYCA). The position is 75.0% LFD Budget Analysis

federally funded and 25.0% general fund.

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The executive proposes to eliminate the state share contribution to the state employee group benefit plan for two months. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, where applicable, are proposed to remain in agency personal services budgets. The executive has indicated that this decision is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison					
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change	
Operating Expenses	414,724	414,724	0	0.00 %	
Total Expenditures	\$414,724	\$414,724	\$0	0.00 %	
General Fund	414,724	414,724	0	0.00 %	
Total Funds	\$414,724	\$414,724	\$0	0.00 %	
Total Ongoing	\$414,724	\$414,724	\$0	0.00 %	
Total OTO	\$0	\$0	\$0	0.00 %	

The National Guard Scholarship Program December 15th and January 7th budget proposals are unchanged from the November 15th budget proposal.

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
Operating Expenses	140,200	207,362	207,362	207,362	207,362
Total Expenditures	\$140,200	\$207,362	\$207,362	\$207,362	\$207,362
General Fund	140,200	207,362	207,362	207,362	207,362
Total Funds	\$140,200	\$207,362	\$207,362	\$207,362	\$207,362
Total Ongoing	\$140,200	\$207,362	\$207,362	\$207,362	\$207,362
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Military Affairs, 03-Ng Scholarship Program Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	414,724	0	0	0	414,724	100.00 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$414,724	\$0	\$0	\$0	\$414,724	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	207,362	207,362	414,724	100.00 %	207,362	207,362	414,724	100.00 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$207,362	\$207,362	\$414,724		\$207,362	\$207,362	\$414,724	

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	493,731	379,834	(113,897)	(23.07)%
Operating Expenses	930,562	931,498	936	0.10 %
Total Expenditures	\$1,424,293	\$1,311,332	(\$112,961)	(7.93)%
Federal Spec. Rev. Funds	1,424,293	1,311,332	(112,961)	(7.93)%
Total Funds	\$1,424,293	\$1,311,332	(\$112,961)	(7.93)%
Total Ongoing	\$1,424,293	\$1,311,332	(\$112,961)	(7.93)%
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-361

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services by \$7,911 and federal special revenue by the same amount when compared to the 2021 biennium
- The elimination of vacancy savings increased personal services and federal special revenue by \$3,947 in FY 2022 and \$3,964 in FY 2023

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces personal services by \$15,824 and federal special revenue by the same amount when compared to the 2021 biennium
- The proposed 4.0% vacancy savings reduction in personal services reduces personal services by \$7,895 in FY 2022 and \$7,929 in FY 2023 and federal special revenue by the same amount

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	2.00	2.00	2.00	2.00
Personal Services	210,660	245,366	248,365	189,508	190,326
Operating Expenses	445,466	465,734	464,828	467,184	464,314
Total Expenditures	\$656,126	\$711,100	\$713,193	\$656,692	\$654,640
Federal Spec. Rev. Funds	656,126	711,100	713,193	656,692	654,640
Total Funds	\$656,126	\$711,100	\$713,193	\$656,692	\$654,640
Total Ongoing	\$656,126	\$711,100	\$713,193	\$656,692	\$654,640
Total OTO	\$0	\$0	\$0	\$0	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Military Affairs, 04-Starbase Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0	0.00 %	
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
03453 Air National Guard	1,311,332	0	0	0	1,311,332	100.00 %	
Federal Special Total	\$1,311,332	\$0	\$0	\$0	\$1,311,332	100.00 %	
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$1,311,332	\$0	\$0	\$0	\$1,311,332		

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	0	0	0	0.00 %	713,193	713,193	1,426,386	108.77 %
SWPL Adjustments	0	0	0	0.00 %	(56,501)	(58,553)	(115,054)	(8.77) %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$656,692	\$654,640	\$1,311,332	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	(58,857)	(58,857)	0.00	0	0	(58,039)	(58,039)
DP 2 - Fixed Costs	0.00	0	0	2,356	2,356	0.00	0	0	(514)	(514)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	(\$56,501)	(\$56,501)	0.00	\$0	\$0	(\$58,553)	(\$58,553)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	7,750,333	9,108,739	1,358,406	17.53 %
Operating Expenses	30,164,835	30,095,906	(68,929)	(0.23)%
Equipment & Intangible Assets	301,072	301,072	0	0.00 %
Transfers	50,000	50,000	0	0.00 %
Total Expenditures	\$38,266,240	\$39,555,717	\$1,289,477	3.37 %
General Fund	3,471,801	3,529,388	57,587	1.66 %
State/Other Special Rev. Funds	840	840	0	0.00 %
Federal Spec. Rev. Funds	34,793,599	36,025,489	1,231,890	3.54 %
Total Funds	\$38,266,240	\$39,555,717	\$1,289,477	3.37 %
Total Ongoing	\$38,266,240	\$39,560,189	\$1,293,949	3.38 %
Total OTO	\$0	(\$4,472)	(\$4,472)	100.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-365

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services by \$174,332 general fund by \$15,690 and federal special revenue by \$158,642 when compared to the 2021 biennium
- The elimination of vacancy savings increased personal services by \$87,051 in FY 2022 and \$87,281 in FY 2023. General fund was increased by \$7,835 in FY 2022 and \$7,855 in FY 2023 and federal special revenue was increased by \$79,216 in FY 2022 and \$79,426 in FY 2023
- The allocation of general fund and federal special revenue in the statewide present law adjustment for personal services was modified. General fund was increased by \$22,026 and federal special revenue has been decreased by the same amount when compared to the November 15th budget submission. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute
- General fund for operating expenses is increased by \$100 for operations and maintenance of new facilities in FY 2023 as required by statute

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces personal services by \$348,721 and general fund by \$31,460, state special revenue by \$8, and federal special revenue by \$317,253 when compared to the 2021 biennium
- The proposed 4.0% vacancy savings reduction in personal services reduces personal services by \$174,131 in FY 2022 and \$174,590 in FY 2023, general fund by \$15,710 in FY 2022 and \$15,751 in FY 2023, state special revenue by \$4 in FY 2022 and \$4 in FY 2023, and federal special revenue by \$158,418 in FY 2022 and \$158,835 in FY 2023
- Suspension of the employer share of group benefits for employees for two months, reducing general fund by \$4,472

- Additional 4.0% vacancy savings applied to new proposal for additional FTE lowering personal services by \$14,934

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	51.30	51.30	56.30	56.30
Personal Services	3,583,079	3,729,712	4,020,621	4,546,548	4,562,191
Operating Expenses	15,120,305	15,228,610	14,936,225	15,066,984	15,028,922
Equipment & Intangible Assets	85,264	150,536	150,536	150,536	150,536
Transfers	0	25,000	25,000	25,000	25,000
Total Expenditures	\$18,788,648	\$19,133,858	\$19,132,382	\$19,789,068	\$19,766,649
General Fund	1,735,935	1,745,741	1,726,060	1,767,043	1,762,345
State/Other Special Rev. Funds	100	420	420	420	420
Federal Spec. Rev. Funds	17,052,613	17,387,697	17,405,902	18,021,605	18,003,884
Total Funds	\$18,788,648	\$19,133,858	\$19,132,382	\$19,789,068	\$19,766,649
Total Ongoing	\$18,788,648	\$19,133,858	\$19,132,382	\$19,793,540	\$19,766,649
Total OTO	\$0	\$0	\$0	(\$4,472)	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Military Affairs, 12-Army National Guard Pgm Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	3,533,860	(4,472)	0	0	3,529,388	8.92 %
02343 Armory Rental Funds	840	0	0	0	840	100.00 %
02002 Purple Heart & Higher Schlshp	0	0	0	0	0	0.00 %
State Special Total	\$840	\$0	\$0	\$0	\$840	0.00 %
03132 National Guard	36,025,439	0	0	0	36,025,439	100.00 %
03416 Fed Construction on Fed Land	50	0	0	0	50	0.00 %
Federal Special Total	\$36,025,489	\$0	\$0	\$0	\$36,025,489	91.08 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$39,560,189	(\$4,472)	\$0	\$0	\$39,555,717	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	1,726,060	1,726,060	3,452,120	97.81 %	19,132,382	19,132,382	38,264,764	96.74 %
SWPL Adjustments	15,455	6,235	21,690	0.61 %	165,998	138,743	304,741	0.77 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	25,528	30,050	55,578	1.57 %	490,688	495,524	986,212	2.49 %
Total Budget	\$1,767,043	\$1,762,345	\$3,529,388		\$19,789,068	\$19,766,649	\$39,555,717	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	13,489	0	145,750	159,239	0.00	14,085	0	156,061	170,146
DP 2 - Fixed Costs	0.00	2,000	0	4,898	6,898	0.00	(7,829)	0	(23,487)	(31,316)
DP 3 - Inflation Deflation	0.00	(34)	0	(105)	(139)	0.00	(21)	0	(66)	(87)
Grand Total All Present Law Adjustments	0.00	\$15,455	\$0	\$150,543	\$165,998	0.00	\$6,235	\$0	\$132,508	\$138,743

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals

The New Proposals table shows new changes to spending.

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1201 - Natural Resource Manager FTE	1.00	0	0	75,739	75,739	1.00	0	0	75,794	75,794
DP 1202 - Environmental Compliance Specialist FTE	1.00	0	0	75,740	75,740	1.00	0	0	75,794	75,794
DP 1203 - CFMO Grounds Maintenance FTE	1.00	0	0	57,249	57,249	1.00	0	0	57,287	57,287
DP 1204 - O&M Branch FTE	1.00	0	0	57,249	57,249	1.00	0	0	57,287	57,287
DP 1205 - CFMO Division Modified to Permanent FTE	1.00	0	0	105,183	105,183	1.00	0	0	105,262	105,262
DP 1206 - CFMO Spending Operation and Maint of Facilities	0.00	30,000	0	94,000	124,000	0.00	30,000	0	94,000	124,000
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(4,472)	0	0	(4,472)	0.00	0	0	0	0
DP 18001 - O&M for new facilities	0.00	0	0	0	0	0.00	50	0	50	100
Total	5.00	\$25,528	\$0	\$465,160	\$490,688	5.00	\$30,050	\$0	\$465,474	\$495,524

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1201 - Natural Resource Manager FTE -

This proposal is for 1.00 FTE for a Natural Resources Manager for the Environmental Office to maintain compliance with the Sikes Act and manage natural resources on Montana Army National Guard training lands at Fort Harrison and Limestone Hills. This request is 100% federally funded.

DP 1202 - Environmental Compliance Specialist FTE -

This request is for 1.00 FTE for an Environmental Compliance Specialist to perform regulatory driven tasks under the Resource Conservation and Recovery Act, Executive Order 13834: Efficient Federal Operations, and Toxic Substances Control Act. This request is 100% federally funded.

DP 1203 - CFMO Grounds Maintenance FTE -

This request is for a 1.00 FTE grounds maintenance position. The Construction and Facilities Management Office is responsible for the maintenance services, including regularly scheduled adjustments and inspections, preventative maintenance, landscaping, mowing, snowplowing, and similar municipal services on facilities used to support the mission of the Montana Army National Guard. This request is 100.0% federally funded.

DP 1204 - O&M Branch FTE -

This request is for 1.00 FTE for the Operations & Management Branch of the Construction and Facilities Management Office. The addition of this FTE will increase the staffing level to 1.00 FTE per 150,000 SF. This request is 100.0% federally funded. If added, the FTE would eliminate the need to hire two temporary FTE during the summer months and would be responsible for regular maintenance on 100.0% federally funded facilities, which includes an additional 31,000 SF of facility space constructed at Fort Harrison and brought online in federal FY 2021.

DP 1205 - CFMO Division Modified to Permanent FTE -

This request is for 1.00 FTE in the Construction and Facilities Management Office (CFMO.) The position is 100.0% federally funded. The FTE would maintain state contracting documents, develop and implement CFMO contracting policies and

procedures, evaluate and ensure contractor performance, and ensure compliance with state and federal regulations. The position would assist the CFMO to align the structure of the CFMO with the procedures and guidance issued by the National Guard Bureau.

DP 1206 - CFMO Spending Operation and Maint of Facilities -

The Army National Guard Program proposes an increase in operating expenses to operate and maintain eight new facilities. The operation and maintenance costs for the additional 72,249 square feet of facility space include utilities, janitorial services, ground maintenance and fire protection costs. Of the eight facilities, only the Malta Readiness Center has a state share, which is \$30,000 per year. The other seven facilities are 100.0% federally operated and maintained, therefore the remaining \$94,000 is federally reimbursed.

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The executive proposes to eliminate the state share contribution to the state employee group benefit plan for two months. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, were applicable, are proposed to remain in agency personal services budgets. The executive has indicated that this decision is contingent on passage and approval of the proposed legislation.

DP 18001 - O&M for new facilities -

Pursuant to 17-7-210, operations and maintenance costs for the proposed new building are projected to total \$100 for FY 2023. This new proposal is contingent on passage and approval of HB 5, and HB 5 includes an appropriation for construction of this building.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	7,622,051	8,138,399	516,348	6.77 %
Operating Expenses	3,857,258	3,901,137	43,879	1.14 %
Equipment & Intangible Assets	9,720	0	(9,720)	(100.00)%
Total Expenditures	\$11,489,029	\$12,039,536	\$550,507	4.79 %
General Fund	865,050	775,648	(89,402)	(10.33)%
Federal Spec. Rev. Funds	10,623,979	11,263,888	639,909	6.02 %
Total Funds	\$11,489,029	\$12,039,536	\$550,507	4.79 %
Total Ongoing	\$11,489,029	\$12,045,432	\$556,403	4.84 %
Total OTO	\$0	(\$5,896)	(\$5,896)	100.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-371

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services by \$137,102 general fund by \$10,283 and federal special revenue by \$126,819 when compared to the 2021 biennium
- The elimination of vacancy savings increased personal services by \$68,461 in FY 2022 and \$68,641 in FY 2023. General fund was increased by \$5,135 in FY 2022 and \$5,148 in FY 2023 and federal special revenue was increased by \$63,326 in FY 2022 and \$63,493 in FY 2023
- The allocation of general fund and federal special revenue in the statewide present law adjustment for personal services was modified. General fund was reduced by \$25,214 and federal special revenue has been increased by the same amount when compared to the November 15th budget submission. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces personal services by \$274,257 and general fund by \$20,584 and federal special revenue by \$253,673 when compared to the 2021 biennium
- The proposed 4.0% vacancy savings reduction in personal services reduces personal services by \$136,949 in FY 2022 and \$137,308 in FY 2023, general fund by \$10,278 in FY 2022 and \$10,305 in FY 2023 and federal special revenue by \$126,671 in FY 2022 and \$127,003 in FY 2023
- Suspension of the employer share of group benefits for employees for two months, reducing general fund by \$5,896

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	46.00	46.00	46.00	46.00
Personal Services	3,344,918	3,740,437	3,881,614	4,056,561	4,081,838
Operating Expenses	1,947,766	1,954,830	1,902,428	1,957,271	1,943,866
Equipment & Intangible Assets	9,719	9,720	0	0	0
Total Expenditures	\$5,302,403	\$5,704,987	\$5,784,042	\$6,013,832	\$6,025,704
General Fund	430,453	430,943	434,107	385,529	390,119
Federal Spec. Rev. Funds	4,871,950	5,274,044	5,349,935	5,628,303	5,635,585
Total Funds	\$5,302,403	\$5,704,987	\$5,784,042	\$6,013,832	\$6,025,704
Total Ongoing	\$5,302,403	\$5,704,987	\$5,784,042	\$6,019,728	\$6,025,704
Total OTO	\$0	\$0	\$0	(\$5,896)	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Military Affairs, 13-Air National Guard Pgm Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	781,544	(5,896)	0	0	775,648	6.44 %
State Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
03453 Air National Guard	11,263,888	0	0	0	11,263,888	100.00 %
Federal Special Total	\$11,263,888	\$0	\$0	\$0	\$11,263,888	93.56 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$12,045,432	(\$5,896)	\$0	\$0	\$12,039,536	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	434,107	434,107	868,214	111.93 %	5,784,042	5,784,042	11,568,084	96.08 %
SWPL Adjustments	(42,682)	(43,988)	(86,670)	(11.17)%	(467,135)	(471,874)	(939,009)	(7.80)%
PL Adjustments	0	0	0	0.00 %	667,821	678,536	1,346,357	11.18 %
New Proposals	(5,896)	0	(5,896)	(0.76)%	29,104	35,000	64,104	0.53 %
Total Budget	\$385,529	\$390,119	\$775,648		\$6,013,832	\$6,025,704	\$12,039,536	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(45,711)	0	(441,267)	(486,978)	0.00	(44,898)	0	(433,414)	(478,312)
DP 2 - Fixed Costs	0.00	3,029	0	16,814	19,843	0.00	910	0	5,528	6,438
DP 1301 - ANG Firefighter Federal Authority Pay Increase	0.00	0	0	103,424	103,424	0.00	0	0	105,673	105,673
DP 1302 - ANG Fire FLSA Salaries Federal Authority	0.00	0	0	564,397	564,397	0.00	0	0	572,863	572,863
Grand Total All Present Law Adjustments	0.00	(\$42,682)	\$0	\$243,368	\$200,686	0.00	(\$43,988)	\$0	\$250,650	\$206,662

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 1301 - ANG Firefighter Federal Authority Pay Increase -

The executive is requesting federal special revenue for hourly pay scale increases for the 30 state firefighters employed at the 120th Airlift Wing, Montana Air National Guard (MANG) base in Great Falls. MANG firefighters are also Emergency Medical Technicians. They are required to complete a higher level of training and certification than their civilian counterparts across the state and nation, yet they are paid less. The current hourly pay offered to state firefighters at MANG ranks in the bottom 25% of pay across all fire departments in Montana. These pay issues have resulted in costly staff recruitment and retention problems, and expensive turnover. The executive proposes a 5.4% overall increase in the salary and benefits costs for the MANG fire department. This plan has been approved by the National Guard Bureau to bring MANG firefighter pay scales in line with Montana market pay rates.

DP 1302 - ANG Fire FLSA Salaries Federal Authority -

The executive is requesting additional federal spending authority for firefighter salaries and benefits that exceed those of a traditional FTE, due to the 24/7 nature of the fire protection services at the Montana Air National Guard. Hours over 2,080 per FTE are not captured in the personal services snapshot used for initial budget preparation.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1303 - ANG Airlift Wing Drop Zone Lease Federal Authority	0.00	0	0	35,000	35,000	0.00	0	0	35,000	35,000
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(5,896)	0	0	(5,896)	0.00	0	0	0	0
Total	0.00	(\$5,896)	\$0	\$35,000	\$29,104	0.00	\$0	\$0	\$35,000	\$35,000

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1303 - ANG Airlift Wing Drop Zone Lease Federal Authority -

This request for \$35,000 annually in federal special revenue to fund a new 640-acre drop zone land lease near Fort Benton, Montana and located on farm and ranch property. The operating lease is essential to the 120th Airlift Wing mission, supported by the National Guard Bureau. The 640-acre drop zone lease supports the 120th Airlift Wing federal flying mission. The corresponding operating license for this lease falls under the state of Montana Adjutant General's authority.

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The executive proposes to eliminate the state share contribution to the state employee group benefit plan for two months. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, were applicable, are proposed to remain in agency personal services budgets. The executive has indicated that this decision is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	4,090,008	4,274,335	184,327	4.51 %
Operating Expenses	2,607,438	3,262,733	655,295	25.13 %
Grants	24,362,268	23,552,602	(809,666)	(3.32)%
Transfers	4,103,044	5,045,210	942,166	22.96 %
Total Expenditures	\$35,162,758	\$36,134,880	\$972,122	2.76 %
General Fund	2,759,844	2,979,633	219,789	7.96 %
State/Other Special Rev. Funds	413,360	413,360	0	0.00 %
Federal Spec. Rev. Funds	31,989,554	32,741,887	752,333	2.35 %
Total Funds	\$35,162,758	\$36,134,880	\$972,122	2.76 %
Total Ongoing	\$35,162,758	\$36,157,688	\$994,930	2.83 %
Total OTO	\$0	(\$22,808)	(\$22,808)	100.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-376

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services by \$79,675 general fund by \$6,294 state special revenue by \$956 and federal special revenue by \$72,425 when compared to the 2021 biennium
- The elimination of vacancy savings increased personal services by \$39,766 in FY 2022 and \$39,899 in FY 2023. General fund was increased by \$3,142 in FY 2022 and \$3,152 in FY 2023, state special revenue was increased by \$477 in FY 2022 and \$479 in FY 2023, and federal special revenue was increased by \$36,156 in FY 2022 and \$36,268 in FY 2023
- The allocation of general fund and federal special revenue in the statewide present law adjustment for personal services was modified. General fund for statewide present law adjustments for personal services have been reduced by \$25,214 and federal special revenue has been increased by the same amount when compared to the November 15th budget submission

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces personal services by \$159,369 and general fund by \$12,585, state special revenue by \$1,872, and federal special revenue by \$144,912 when compared to the 2021 biennium
- The proposed 4.0% vacancy savings reduction in personal services reduces personal services by \$79,562 in FY 2022 and \$79,807 in FY 2023, general fund by \$6,283 in FY 2022 and \$6,302 in FY 2023, state special revenue by \$934 in FY 2022 and \$937 in FY 2023, and federal special revenue by \$72,345 in FY 2022 and \$72,567 in FY 2023
- Suspension of the employer share of group benefits for employees for two months, reducing general fund by \$22,808

- Additional 4.0% vacancy savings applied to new proposal for additional FTE lowering personal services by \$5,898

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	22.89	22.89	24.89	24.89
Personal Services	2,138,859	2,147,568	1,942,440	2,122,740	2,151,595
Operating Expenses	573,890	1,249,690	1,357,748	1,659,328	1,603,405
Grants	8,763,091	12,585,967	11,776,301	11,776,301	11,776,301
Transfers	505,660	1,580,439	2,522,605	2,522,605	2,522,605
Total Expenditures	\$11,981,500	\$17,563,664	\$17,599,094	\$18,080,974	\$18,053,906
General Fund	1,273,742	1,370,054	1,389,790	1,485,147	1,494,486
State/Other Special Rev. Funds	30,855	206,680	206,680	206,680	206,680
Federal Spec. Rev. Funds	10,676,903	15,986,930	16,002,624	16,389,147	16,352,740
Total Funds	\$11,981,500	\$17,563,664	\$17,599,094	\$18,080,974	\$18,053,906
Total Ongoing	\$11,981,500	\$17,563,664	\$17,599,094	\$18,103,782	\$18,053,906
Total OTO	\$0	\$0	\$0	(\$22,808)	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Military Affairs, 21-Disaster & Emergency Services Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	3,002,441	(22,808)	0	90,000	3,069,633	8.47 %
02156 SAR DES DFWP Fees	139,848	0	0	0	139,848	33.83 %
02170 SAR DES Off Road Vehicle	264,308	0	0	0	264,308	63.94 %
02335 DES Training Conference	9,204	0	0	0	9,204	2.23 %
02847 Fire Suppression Fund	0	0	0	0	0	0.00 %
State Special Total	\$413,360	\$0	\$0	\$0	\$413,360	1.14 %
03022 DES Disaster Grants 97.036	63,368	0	0	0	63,368	0.19 %
03134 DES Emergency Mgmt Perf 97.042	10,120,186	0	0	0	10,120,186	30.91 %
03143 DES Homeland Security 97.067	15,210,732	0	0	0	15,210,732	46.46 %
03166 DES Hazard Mitigation 97.039	2,601,426	0	0	0	2,601,426	7.95 %
03191 DES Pre-Disaster Mit 97.047	3,409,453	0	0	0	3,409,453	10.41 %
03208 DES Hazardous Materials 20.703	360,136	0	0	0	360,136	1.10 %
03239 DES Flood Mitigation 97.029	862,326	0	0	0	862,326	2.63 %
03429 Disaster & Emergency Services	2,204	0	0	0	2,204	0.01 %
03267 Nonprofit Security 97.008	99,914	0	0	0	99,914	0.31 %
03717 Nat Earthquake Haz Red Prg	12,142	0	0	0	12,142	0.04 %
Federal Special Total	\$32,741,887	\$0	\$0	\$0	\$32,741,887	90.39 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$36,157,688	(\$22,808)	\$0	\$90,000	\$36,224,880	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	1,389,790	1,389,790	2,779,580	93.29 %	17,599,094	17,599,094	35,198,188	97.41 %
SWPL Adjustments	(5,219)	(7,898)	(13,117)	(0.44)%	13,353	6,638	19,991	0.06 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	100,576	112,594	213,170	7.15 %	468,527	448,174	916,701	2.54 %
Total Budget	\$1,485,147	\$1,494,486	\$2,979,633		\$18,080,974	\$18,053,906	\$36,134,880	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	6,770	0	30,559	37,329	0.00	10,376	0	32,809	43,185
DP 2 - Fixed Costs	0.00	(9,380)	0	(9,379)	(18,759)	0.00	(16,638)	0	(16,637)	(33,275)
DP 3 - Inflation Deflation	0.00	(2,609)	0	(2,608)	(5,217)	0.00	(1,636)	0	(1,636)	(3,272)
Grand Total All Present Law Adjustments	0.00	(\$5,219)	\$0	\$18,572	\$13,353	0.00	(\$7,898)	\$0	\$14,536	\$6,638

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals

The New Proposals table shows new changes to spending.

New Proposals										
-----Fiscal 2022-----						-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 2103 - Mitigation Plans	0.00	85,838	0	257,514	343,352	0.00	75,000	0	225,000	300,000
DP 2104 - Mitigation FTE	2.00	36,444	0	109,335	145,779	2.00	36,492	0	109,478	145,970
DP 2199 - NRIS/GIS Fixed Costs	0.00	1,102	0	1,102	2,204	0.00	1,102	0	1,102	2,204
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(22,808)	0	0	(22,808)	0.00	0	0	0	0
Total	2.00	\$100,576	\$0	\$367,951	\$468,527	2.00	\$112,594	\$0	\$335,580	\$448,174

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 2103 - Mitigation Plans -

The Federal Emergency Management Administration requires states and counties to each have a FEMA approved hazard mitigation plan to apply for or receive federal mitigation funds either pre or post disaster. FEMA has prioritized mitigation, increasing the funding available and allowing the state to apply for up to \$35.0 million in federal funding each building resilient infrastructure communities grant cycle. To reduce redundancy, costs, and man hours required for each county to maintain a plan, regional plans will be done to cover counties with similar hazards. Plans are good for five years. This funding request is 75.0% federal and 25.0% general fund. State matching funds are required to be eligible for federal mitigation funds.

DP 2104 - Mitigation FTE -

The executive requests 2.00 FTE as emergency managers in the Disaster and Emergency Services Division. DES is responsible for ensuring the state is able to deal with disasters or emergencies in order to protect public health and safety, and to preserve lives and property of the people of Montana. This includes mitigating anticipated weaknesses, developing plans to effectively respond when an incident occurs, and helping communities recover from disasters by repairing public infrastructure to a pre-disaster condition.

DP 2199 - NRIS/GIS Fixed Costs -

The 2019 Legislature enacted HB 633 requiring the Legislative Finance Committee (LFC) to conduct a study of the funding of digital library services. The LFC recommended that the Office of Budget and Program Planning include an assessment for the natural resource information system (NRIS) and the geographic information system (GIS) as a fixed cost to state agencies beginning in the 2023 biennium. The assessment is made to those agencies that utilize the NRIS/GIS.

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The executive proposes to eliminate the state share contribution to the state employee group benefit plan for two months. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, were applicable, are proposed to remain in agency personal services budgets. The executive has indicated that this decision is contingent on passage and approval of the proposed legislation.

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	3,858,781	4,086,948	228,167	5.91 %
Operating Expenses	676,858	734,552	57,694	8.52 %
Grants	70,000	70,000	0	0.00 %
Transfers	90,000	90,000	0	0.00 %
Total Expenditures	\$4,695,639	\$4,981,500	\$285,861	6.09 %
General Fund	2,764,594	2,912,574	147,980	5.35 %
State/Other Special Rev. Funds	1,931,045	2,068,926	137,881	7.14 %
Total Funds	\$4,695,639	\$4,981,500	\$285,861	6.09 %
Total Ongoing	\$4,695,639	\$5,020,459	\$324,820	6.92 %
Total OTO	\$0	(\$38,959)	(\$38,959)	100.00 %

Page Reference

LFD 2023 Biennium Budget Analysis – A-386

Budget Changes

Changes between the November 15th preliminary budget and the December 15^h budget submission include:

- Elimination of the proposed 2.0% vacancy savings, increasing personal services by \$85,928, general fund by \$11,858, state special revenue by \$1,976, and federal special revenue by \$72,094 when compared to the 2021 biennium
- The elimination of vacancy savings increased personal services by \$42,935 in FY 2022 and \$42,993 in FY 2023. General fund was increased by \$5,925 in FY 2022 and \$5,933 in FY 2023, state special revenue was increased by \$988 in FY 2022 and \$989 in FY 2023, federal special revenue was increased by \$36,022 in FY 2022 and \$36,071 in FY 2023
- The allocation of general fund and federal special revenue in the statewide present law adjustment for personal services was modified. General fund for statewide present law adjustments for personal services have been reduced by \$27,436 and federal special revenue has been increased by the same amount when compared to the November 15th budget submission. The change aligns the funding with that of the FY 2021 biennium base budget as required in statute.
- Elimination of two proposals to increase state special revenue including:
 - Increases for proposed legislation to increase the percentage of motor vehicle registration fees transferred from the general fund to the state special revenue account supporting veterans' services
 - Request for new locations in rural communities to serve veterans
- Addition of a proposal to increase state special revenue by \$2.3 million to implement provisions of I-190, an initiative to legalize recreational marijuana. I-190 as passed by the voters expanded veterans outreach programs and provided for veteran cemetery improvements

Changes between the December 15th budget submission and the January 7th budget submission include:

- A proposed 4.0% vacancy savings reduction taken against personal services. This proposal reduces personal

67010 - Department Of Military Affairs**31-Veterans Affairs Program**

services by \$171,883 and general fund by \$101,225 and state special revenue by \$70,658 when compared to the 2021 biennium

- The proposed 4.0% vacancy savings reduction in personal services reduces personal services by \$85,881 in FY 2022 and \$86,002 in FY 2023, general fund by \$50,577 in FY 2022 and \$50,648 in FY 2023 and state special revenue by \$35,304 in FY 2022 and \$35,354 in FY 2023
- Suspension of the employer share of group benefits for employees for two months, reducing general fund by \$38,959
- Elimination of proposal to implement I-190, reducing state special revenue by \$2.3 million over the biennium

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	25.59	25.59	25.59	25.59
Personal Services	1,913,217	1,945,601	1,913,180	2,022,493	2,064,455
Operating Expenses	226,372	306,783	370,075	369,043	365,509
Grants	30,000	35,000	35,000	35,000	35,000
Transfers	0	45,000	45,000	45,000	45,000
Total Expenditures	\$2,169,589	\$2,332,384	\$2,363,255	\$2,471,536	\$2,509,964
General Fund	1,344,573	1,372,834	1,391,760	1,438,363	1,474,211
State/Other Special Rev. Funds	825,016	959,550	971,495	1,033,173	1,035,753
Total Funds	\$2,169,589	\$2,332,384	\$2,363,255	\$2,471,536	\$2,509,964
Total Ongoing	\$2,169,589	\$2,332,384	\$2,363,255	\$2,510,495	\$2,509,964
Total OTO	\$0	\$0	\$0	(\$38,959)	\$0

Funding

The following table shows proposed program funding by source of authority.

Department of Military Affairs, 31-Veterans Affairs Program Funding by Source of Authority						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
01100 General Fund	2,951,533	(38,959)	0	0	2,912,574	43.86 %
02214 Veterans Affairs Cemeteries	0	0	0	1,559,078	1,559,078	41.82 %
02222 Patriotic License Plate Fees	400,848	0	0	100,000	500,848	13.43 %
02548 Veterans Affairs SB401	1,568,078	0	0	0	1,568,078	42.06 %
02002 Purple Heart & Higher Schlshp	100,000	0	0	0	100,000	2.68 %
State Special Total	\$2,068,926	\$0	\$0	\$1,659,078	\$3,728,004	56.14 %
Federal Special Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Proprietary Total	\$0	\$0	\$0	\$0	\$0	0.00 %
Total All Funds	\$5,020,459	(\$38,959)	\$0	\$1,659,078	\$6,640,578	

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category								
-----General Fund-----					-----Total Funds-----			
Budget Item	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget
2021 Base Budget	1,391,760	1,391,760	2,783,520	95.57 %	2,363,255	2,363,255	4,726,510	94.88 %
SWPL Adjustments	85,562	82,451	168,013	5.77 %	147,240	146,709	293,949	5.90 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(38,959)	0	(38,959)	(1.34)%	(38,959)	0	(38,959)	(0.78)%
Total Budget	\$1,438,363	\$1,474,211	\$2,912,574		\$2,471,536	\$2,509,964	\$4,981,500	

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
-----Fiscal 2022-----						-----Fiscal 2023-----				
FTE	General Fund	State Special	Federal Special	Total Funds		FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services										
0.00	82,774	65,498	0	148,272		0.00	84,622	66,653	0	151,275
DP 2 - Fixed Costs										
0.00	2,788	0	0	2,788		0.00	(2,171)	0	0	(2,171)
DP 3 - Inflation Deflation										
0.00	0	(3,820)	0	(3,820)		0.00	0	(2,395)	0	(2,395)
Grand Total All Present Law Adjustments										
0.00	\$85,562	\$61,678	\$0	\$147,240		0.00	\$82,451	\$64,258	\$0	\$146,709

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Expected changes
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 2 - Fixed Costs -

The executive requests adjustments to provide the funding required in the proposed budget to pay increases in fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

New Proposals

The New Proposals table shows new changes to spending

New Proposals										
-----Fiscal 2022-----					-----Fiscal 2023-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 5555 - Reduce GF Budget for State Share Holiday (OTO)	0.00	(38,959)	0	0	(38,959)	0.00	0	0	0	0
Total	0.00	(\$38,959)	\$0	\$0	(\$38,959)	0.00	\$0	\$0	\$0	\$0

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 5555 - Reduce GF Budget for State Share Holiday (OTO) -

The executive proposes to eliminate the state share contribution to the state employee group benefit plan for two months. This change package removes the general fund portion of the savings generated by the suspension of the contributions. Savings from other funding sources, were applicable, are proposed to remain in agency personal services budgets. The executive has indicated that this decision is contingent on passage and approval of the proposed legislation.